

Message Text

UNCLASSIFIED

PAGE 01 OTTAWA 02884 041913Z

72

ACTION EB-11

INFO OCT-01 EUR-25 ISO-00 SS-20 L-03 CAB-09 CIAE-00

COME-00 DODE-00 INR-10 NSAE-00 RSC-01 FAA-00 DOTE-00

NSC-10 DRC-01 ARA-16 /107 W
----- 028048

R 041825Z DEC 73

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 2229

UNCLAS OTTAWA 2884

E.O. 11652: N/A

TAGS: EDIS, CA

SUBJECT: NORTHROP CORP. DISPUTE WITH GOC

REF: (A) STATE 231787 (B) STATE 208929 (C) OTTAWA 2862

MINISTER OF SUPPLY AND SERVICES GOYER HAS GIVEN THE
EMBASSY A COPY OF A LETTER WHICH HE SENT TO T. V.
JONES, PRESIDENT OF NORTHROP, AND WHICH AFFIRMS HIS
POSITION WITH RESPECT TO THE DISPUTE. THE TEXT
FOLLOWS:

BEGIN TEXT

WITHOUT PREJUDICE OTTAWA, ONTARIO
 K1A 0S5

NOVEMBER 28, 1973

MR. T.V. JONES, PRESIDENT,
NORTHROP CORPORATION,
9744 WILSHIRE BLVD.,
P.O. BOX 1525,
BEVERLEY HILLS, CALIFORNIA 90212
U.S.A.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 OTTAWA 02884 041913Z

DEAR MR. JONES:

WE HAVE HAD A NUMBER OF TELEPHONE CONVERSATIONS REGARDING THE POSSIBILITY OF SETTLING OUR RESPECTIVE CLAIMS ARISING OUT OF THE FOLLOWING AGREEMENTS:

LICENSE AGREEMENT,
FILE NO. BC. 18-562081-2, SERIAL 2BC5-3214
CF-5 RECONFIGURATION AGREEMENT,
FILE NO. BC. 18-562081-3, SERIAL NO. 2BC5-3209
NF-5 RECONFIGURATION AGREEMENT,
FILE NO. 78-66-126-126/B5, SERIAL NO. 7BC7-70

THESE CONVERSATIONS FOLLOWED AN ENTIRE WEEK OF MEETINGS BY OUR REPRESENTATIVES IN VICTORIA FROM 17-23 OCTOBER 1973, AND YEARS OF FRUITLESS EFFORT TO ARRIVE AT A BASIS OF SETTLEMENT.

I WOULD LIKE TO MAKE MY PRESENT POSITION CLEAR:

1. IN CONNECTION WITH YOUR COMPANY'S CLAIM AGAINST THE GOVERNMENT OF CANADA ARISING OUT OF THE SALE OF CF-5 AIRCRAFT TO THE GOVERNMENT OF VENEZUELA, IT SEEMS TO ME THAT WE ARE MUCH TOO FAR APART IN OUR RESPECTIVE EVALUATIONS OF THIS CLAIM TO HOPE FOR A SETTLEMENT OUTSIDE OF A COURT OF LAW.
2. I RESERVE OUR POSITION ON THE INADEQUACY OF OFFSET CONSIDERATIONS BY YOUR COMPANY TO CANADIAN INDUSTRY.
3. HOWEVER, WITH RESPECT TO ALL OTHER ISSUES BETWEEN US ARISING UNDER THE AFOREMENTIONED AGREEMENTS, I WOULD BE PREPARED TO PAY YOUR COMPANY \$1.093M OF THE \$6.325M THAT WE ARE CURRENTLY HOLDING BACK AGAINST THESE AGREEMENTS IN RETURN FOR MUTUAL RELEASES BY THE PARTIES FROM ANY FURTHER CLAIMS IN CONNECTION WITH THE SAID AGREEMENTS.

SINCERELY,

JEAN-PIERRE GOYER

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 OTTAWA 02884 041913Z

END OF TEXT

SCHMIDT

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 04 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973OTTAWA02884
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731246/aaaabial.tel
Line Count: 109
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: (A) STATE 231787 (B) STATE 208929 (C,) OTTAWA 2862
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 05 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05-Oct-2001 by williad>; APPROVED <02-Jan-2002 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NORTHROP CORP. DISPUTE WITH GOC
TAGS: BDIS, CA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005